5 March 1952

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MEMORANDUM FOR:

FROM:

Deputy Director (Plans)

SUBJECT:

Further Instructions and Comments of the Director re Mr. Gray's Report to the President re PSB.

1. The Director has just stated to me that at his luncheon today with Admiral Souers, Mr. Staats of the Bureau of the Budget, and Mr. Lay of the NSC, he went over with them the Gray Report and also our tentative draft of conclusions and recommendations. The Director said that all were in agreement that the report should not be published in its present form. In fact, the only portion of the recommendations which were questioned by Admiral Souers and Mr. Staats was that incorporated in Paragraph 10. The others did not feel that it would be wise to attempt to persuade Mr. Gray to revise his report. I explained to General Smith that our thought here was not to try to get Mr. Gray to agree to major changes in his report of the kind that he might be loath to make -- but rather to point out to him and to give him the chance of agreeing to change certain portions of the text which, in our opinion, would do actual damage to our syer-all propaganda and psychological position. As to this the Director said that we should put into this paper exactly what we thought we wanted to recommend, without being influenced by the preliminary observations of Admiral Souers and Mr. Staats -- but that we should clarify this section by the addition of a specific example or two of the kind of language we believe Mr. Gray would agree should be changed if called to his attention.

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2. The Director urged me to obtain the earliest possible consent and agreement of ______ and [______ to the draft _____ or to obtain and incorporate their proposed changes -_ and to put the paper in final form to be ready for him by lunch tomorrow. Having produced our final form of report we should supply a copy thereof and a copy of the Gray Report itself to Admiral Souers and to Mr. Staats on an EYES ONLY basis; and we should provide him with an extra "set" of these papers, with a covering reminder that he may wish to show or to furnish this extra "set" to Mr. Webb.

FRANK.G. WISNER

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Approved For/Release 2003/04/02 : CIA-RDP30R01731R003300410008-7

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